



Rochester Hills
Minutes - Draft
Board of Trustees to the Retiree
Health Care Trust

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Don Cline, Jr., Ryan Deel, Joe Snyder, Kenneth Wissbrun

Monday, May 12, 2025

5:00 PM

1000 Rochester Hills Drive

CALL TO ORDER

Meeting called to order by Mr. Snyder at 5:06 pm.

ROLL CALL

Present 3 - Don Cline, Kenneth Wissbrun and Ryan Deel

Others Present:

Michael McLaughlin, Accounting Manager

Joe Snyder, Chief Financial Officer

APPROVAL OF MINUTES

2025-0210 Approval of Meeting Minutes - May 6, 2024

**A motion was made by Deel, seconded by Wissbrun, that this matter be Approved as Presented. The motion carried by the following vote:
Approved**

Aye 3 - Cline, Wissbrun and Deel

NEW BUSINESS

2025-0211 Election Chairperson

**A motion was made by Deel, seconded by Wissbrun, that this matter be Approved. The motion carried by the following vote:
Approved**

Aye 3 - Cline, Wissbrun and Deel

Resolved, that the Retiree Health Care Trust Board of Trustees hereby appoints Mr. Cline as Chairperson for a one-year period covering 2025-2026.

2025-0212 Election of Vice Chairperson

**A motion was made by Cline, seconded by Deel, that this matter be Approved. The motion carried by the following vote:
Approved**

Aye 3 - Cline, Wissbrun and Deel

Resolved, that the Retiree Health Care Trust Board of Trustees hereby appoints Mr. Wissbrun as Vice Chairperson for a one-year period covering 2025-2026.

2025-0213 Presentation of 2024 City of Rochester Hills Postretirement Health Plan

- Ms. Ciolino presented highlights on the City of Rochester Hills Governmental Accounting Stands Board (GASB) 74/75 Report for Fiscal Year ending on December 31, 2024.
- Ms. Ciolino stated that the Total Other Post Employment Benefit (OPEB) Liability for the City's Defined Benefit plan as of December 31, 2024 was \$1,880,626.
- Ms. Ciolino stated the City's Total OPEB Plan Net Position as of December 31, 2024 was \$2,151,651, which resulted in a Net OPEB difference of (\$271,025) in liability, or 114.41% funded.

2025-0214 Review of Investment Performance and Asset Allocation

- Mr. Snyder presented the Retiree Health Savings Trust Statement as of March 31, 2025 to the Board.
- Mr. Snyder commented that the Retiree Health Savings Trust balance is \$2,085,923.10 as of March 31, 2025, the Trust has earned a 0.33% rate of return over the past quarter, and over the past 12-months the Trust has earned a 5.63% rate of return.
- Mr. Snyder stated that since 2019, the Trust has been maintained at a ratio of roughly 50% equity (or stock) investments and 50% fixed investments. To maintain this ratio the City allocates the Trust funds between three (3) separate mutual funds with differing fixed Asset Allocation strategies. Funds include a Conservative Growth Fund with a 40/60 mix of stocks/bonds, a Moderate Growth Fund with a 60/40 mix of stocks/bonds, and a Growth Fund with an 80/20 mix of stocks/bonds.
- Discussion ensued by the Board and it was decided that a 50/50 split between equity and fixed investments was an appropriate investment mix at this time.

2025-0215 Review of Retiree Health Care Trust Fund Budget

- *Mr. Snyder presented the FY 2026-2028 Retiree Health Care Trust Fund Budget before the Retiree Health Care Trust Board.*
- *A total of \$136,480 is proposed to be drawn from the Retiree Health Care Trust Fund Balance with interest earnings based on 5%.*
- *With the Trust now being over 100% funded, it is proposed that City Funds (General Fund, Fire Fund, and Water & Sewer Fund) collectively contribute \$0 per year moving forward, which is 100% less than the previous year of \$7,800.*
- *Total proposed expenditures of \$237,140 is 4.2% less than last year, primarily due to Professional Services which is anticipated to decrease every-odd year when the Full Actuarial Report is due.*

A motion was made by Mr. Deel, seconded by Mr. Cline, to approve the fiscal year 2026 Retiree Health Care Trust fund budget in the amount of \$237,140. The motion carried by the following vote:

Approved

Aye 3 - Cline, Wissbrun and Deel

ANY OTHER BUSINESS

No other business to discuss

NEXT MEETING DATE

To be determined - targeting May 11, 2026 around the time the FY 2025 Audit is presented to City Council

ADJOURNMENT

Meeting Adjourned at 5:35 pm